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INSURANCE SUBCOMMITTEE

WEDNESDAY, FEBRUARY 7, 2018

1 HOUR UPON ADJOURNMENT OF THE HOUSE

403 BLATT BUILDING

The Honorable L. Kit Spires, Chairman

The Honorable Carl L. Anderson
The Honorable Todd K. Atwater
The Honorable Joseph S. Daning

The Honorable Craig A. Gagnon
The Honorable Phyllis J. Henderson

AGENDA

H. 4675 -- Reps. Sandifer and Spires: A BILL TO AMEND ARTICLE 1, CHAPTER 90, TITLE 38, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO CAPTIVE INSURANCE COMPANIES, SO AS TO REMOVE REFERENCES TO CAPTIVE REINSURANCE COMPANIES, TO REQUIRE A CAPTIVE INSURANCE COMPANY TO POSSESS AND MAINTAIN FREE AND UNIMPAIRED PAID-IN CAPITAL, SURPLUS, OR A COMBINATION THEREOF AND ESTABLISH REQUIREMENTS, TO DELETE CERTAIN SURPLUS REFERENCES AND INCORPORATION REQUIREMENTS, TO PROVIDE THE PROVISIONS OF CHAPTER 90 APPLY TO CAPTIVE INSURANCE COMPANIES FORMED AS A MUTUAL INSURER, TO ESTABLISH REPORTING REQUIREMENTS FOR CAPTIVE INSURANCE COMPANIES AND REMOVE CERTAIN PROVISIONS, TO ALLOW A CAPTIVE INSURANCE COMPANY TO DISCOUNT ITS LOSS AND LOSS ADJUSTMENT WITH APPROVAL BY THE DIRECTOR, TO ESTABLISH OVERSIGHT REQUIREMENTS FOR RISK RETENTION GROUPS AND CAPTIVE INSURANCE COMPANIES, TO ALLOW FOR CERTAIN CAPTIVE INSURANCE COMPANIES TO MAKE LOANS TO ITS PARENT COMPANY AND AFFILIATES WITH APPROVAL BY THE DIRECTOR, TO ESTABLISH STANDARDS FOR AGGREGATE TAXES FOR PROTECTED CELLS, TO ALLOW THE DIRECTOR TO REDUCE CAPITAL REQUIREMENTS FOR AN INACTIVE CAPTIVE INSURANCE COMPANY, TO REMOVE CERTAIN ASSET REQUIREMENTS, AND TO ALTER PARTICIPANT REQUIREMENTS FOR A SPONSORED CAPTIVE INSURANCE COMPANY; AND TO REPEAL ARTICLE 5, CHAPTER 90, TITLE 38 RELATING TO THE COASTAL CAPTIVE INSURANCE COMPANY ACT.

H. 4657 -- Reps. Sandifer and Spires: A BILL TO AMEND SECTION 38-2-10, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO ADMINISTRATIVE PENALTIES FOR THE VIOLATION OF THE INSURANCE LAWS OF SOUTH CAROLINA, SO AS TO ALLOW THE DEPARTMENT OF INSURANCE TO ENFORCE THESE PENALTIES FOR VIOLATIONS OF FEDERAL INSURANCE LAWS

SUBJECT TO ENFORCEMENT BY THE DEPARTMENT; TO AMEND SECTION 38-3-150, RELATING TO THE AUTHORITY OF THE DIRECTOR OF THE DEPARTMENT OF INSURANCE TO CONDUCT EXAMINATIONS AND INVESTIGATIONS, SO AS TO REQUIRE THAT INFORMATION RELATED TO AN EXAMINATION OR INVESTIGATION TO BE TREATED AS PRIVILEGED AND CONFIDENTIAL; TO AMEND SECTION 38-13-70, RELATING TO INVESTIGATIONS CONDUCTED BY THE DEPARTMENT OF INSURANCE, SO AS TO AUTHORIZE THE DEPARTMENT TO RESPOND TO MOTIONS AND COMPLAINTS AGAINST HEALTH MAINTENANCE ORGANIZATIONS AND PERSONS LICENSED TO TRANSACT THE BUSINESS OF INSURANCE IN THIS STATE AND TO ESTABLISH A DEADLINE FOR RESPONSES TO THE DEPARTMENT'S INQUIRIES; TO AMEND SECTION 38-21-290, AS AMENDED, RELATING TO CONFIDENTIAL INFORMATION, SO AS TO PROVIDE DOCUMENTS, MATERIALS, OR OTHER INFORMATION SUBMITTED IN SUPPORT OF AN APPLICATION MUST BE TREATED AS CONFIDENTIAL; TO AMEND SECTION 38-33-170, RELATING TO THE EXAMINATIONS OF THE AFFAIRS OF A HEALTH MAINTENANCE ORGANIZATION, SO AS TO REQUIRE AN EXAMINATION NO LESS THAN EVERY FIVE YEARS; TO AMEND SECTION 38-33-230, RELATING TO LEVY OF ADMINISTRATIVE PENALTY IN LIEU OF OTHER PENALTIES, SO AS TO ALLOW THE LEVY OF AN ADMINISTRATIVE PENALTY FOR VIOLATIONS OF STATE AND FEDERAL INSURANCE LAWS SUBJECT TO ENFORCEMENT BY THE DEPARTMENT OF INSURANCE; TO AMEND SECTION 38-61-20, RELATING TO THE APPROVAL OF INSURANCE POLICIES, CONTRACTS, OR POLICIES BY THE DEPARTMENT OF INSURANCE, SO AS TO REQUIRE THAT ALL FORMS FILED WITH THE DEPARTMENT SATISFY ALL APPLICABLE STATE AND FEDERAL LAWS AND TO AUTHORIZE THE DIRECTOR TO IMPOSE A PENALTY IN CERTAIN CIRCUMSTANCES; AND TO AMEND SECTION 38-71-90, RELATING TO THE PENALTIES FOR ISSUING OR DELIVERING A POLICY THAT VIOLATES CHAPTER 71, SO AS TO EXTEND THE PENALTIES TO ANY INSURER OR HEALTH MAINTENANCE ORGANIZATION WHO VIOLATES APPLICABLE STATE OR FEDERAL LAWS GOVERNING THE TRANSACTION OF THE BUSINESS OF INSURANCE SUBJECT TO ENFORCEMENT BY THE DEPARTMENT OF INSURANCE.

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